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SENATE

REPORT
101-151

AUTHORIZING APPROPRIATIONS FOR FISCAL YEARS 1990 AND 1991 FOR INTELLIGENCE ACTIVITIES OF THE U.S. GOVERNMENT, THE INTELLIGENCE COMMUNITY STAFF, THE CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM [CIARDS], AND FOR OTHER PURPOSES

SEPTEMBER 29 (legislative day, SEPTEMBER 18), 1989.—Ordered to be printed

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Mr. NUNN, from the Committee on Armed Services,
submitted the following

REPORT

[To accompany S. 1324]

The Committee on Armed Services, to which was referred the bill (S. 1324) to authorize appropriations for Fiscal Years 1990 and 1991 for intelligence activities of the United States Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE OF THE BILL

S. 1324 would authorize appropriations and other matters for Fiscal Years 1990 and 1991 for intelligence activities of the United States Government, including certain Department of Defense intelligence relate activities within the jurisdiction of the Committee on Armed Services.

The Select Committee on Intelligence (SSCI) reported out the bill on July 14, 1989 and it was referred to this Committee under the provision of Section 3(b) of Senate Resolution 400, 94th Congress for a period of 30 days.

SCOPE OF COMMITTEE REVIEW

The Committee conducted a detailed review of the intelligence community authorization request for Fiscal Years 1990 and 1991. The Committee held hearings and met with Members of the SSCI, focusing primarily on items of dual jurisdiction.

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The Committee has carefully reviewed the report of the Select Committee on Intelligence and has incorporated the relevant budgetary decisions of that Committee in the Defense Authorization Act for Fiscal Years 1990 and 1991, S. 1352, reported by this Committee on August 4.

Inter-Agency Net Assessments

For many years, the Committee has encouraged the Department of Defense and the intelligence community to cooperate closely in the preparation of net assessments. In response to the Committee's direction, the Secretary of Defense and the Director of Central Intelligence developed a plan in 1988 to formalize the participation of the intelligence community in inter-agency net assessments. Most importantly, this plan specifies that the intelligence community will have the right to present independent conclusions in these assessments.

The Committee understands that the Defense Department and the intelligence community experienced difficulties in establishing a productive working relationship. In response to a written question in March 1989, the Deputy Director of the Central Intelligence Agency explained that "there were a few growing pains with the initiation of coordinated Intelligence Community participation in the net assessment process. Our current assessment is that the early difficulties have been overcome and that the process is working well." The Committee will continue to monitor this inter-agency process to ensure that the intelligence community participates fully in the conduct of net assessments. The Committee expects that this process will proceed on a robust basis.

In its report on the intelligence authorization bill for fiscal year 1989 (S. Rept. 100–404), the Committee directed that the following areas for additional intelligence community participation in net assessments be analyzed during fiscal year 1989;

(1) the B–1B and any future air-breathing systems versus Soviet air defenses;

(2) United States anti-submarine warfare capability;

(3) United States armor versus Soviet armor, including anti-armor weapons (e.g., weapons delivered by fixed-wing and rotary-wing aircraft) and technology; and

(4) United States economic capability to develop, produce and support highly advanced weapons systems versus the ability of the Soviet economy to do the same.

The Committee provided that these net assessments could be part of the annual net assessment submitted to the Congress by the Secretary of Defense or they could be separate assessments.

The first two net assessments on the B–1B bomber and U.S. anti-submarine warfare capability were prepared with the participation of the intelligence community. Unfortunately, the final two assessments have not yet been conducted. The Committee continues to believe that these two areas should be analyzed in the inter-agency net assessment process; therefore, it reiterates its direction that the two net assessments be prepared and submitted to the Congress, either as parts of the next annual net assessment to be conducted by the Secretary of Defense or as separate assessments. These as-

sessments are to be submitted to the Congress no later than March 1, 1990.

Committee Action

On September 29, 1989 the Committee on Armed Services approved the bill and ordered it favorably reported.

Evaluation of Regulatory Impact

In accordance with paragraph 11(b) of Rule XXVI of the Standing Rules of the Committee, the Committee finds no regulatory impact will be incurred in implementing the provisions of this legislation.

Changes in Existing Law

In the opinion of the Committee, it is necessary to dispense with the requirements of section 12 of the rule XXVI of the Standing Rules of the Senate in order to expedite the business of the Senate.

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